

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
May 16, 2016

Directors Present: John Jeter, President
Blair Ball, Director
Ron Duncan, Director
David Fenn, Director
Leonard Stephenson, Director

Directors Absent: Bill Dickson, Vice President
Mary Ann Melleby, Treasurer

Staff Present: Jeff Davis, General Manager
Jeff Ferré, General Counsel
Cheryle Rasmussen, Executive Assistant

1. **Call to Order, Flag Salute and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President John Jeter at 7:00 p.m., May 16, 2016 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Fenn led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of the Agenda:** *President Jeter asked if there were any adjustments to the agenda.* General Manager Davis requested that item 5D be moved to item 5A. There being no objection the agenda was adopted as amended.
3. **Public Comment:** Nathan Douglass (Director – BCVWD) thanked the Board for changing the Regular Board meeting times from 1:30 pm to 7:00 pm. He asked the Board to consider changing the 4:00 p.m. special meetings to 7:00 p.m., thereby allowing working individuals the opportunity to attend. Della Condon thanked the Board for its meeting on SWP Table A Water Allocation that was held on May 10. She stated that Dan Flory (Provost & Pritchard) created an understanding of how difficult it is to distribute this resource. John Covington stated that he will speak during item 5A.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, May 2, 2016
 - B. Approval of the Minutes of the Engineering Workshop, May 9, 2016

Director Duncan moved, seconded by Director Ball, to approve the Consent Calendar as presented. Motion carried 5-0, with Directors Dickson and Melleby absent.

5. Reports:

A. Legislative Update (Syrus Devers – BB&K Lobbyist) – Legislative effort regarding Agency Board size and update on State legislative matters, including drought and State Water Resources Control Board (SWRCB):

General Manager Davis introduced Syrus Devers, Director of Governmental Affairs – Best Best and Krieger. Mr. Devers reported to the Board that SB 1378 was pulled from the committee and that it cannot be reused. In order to continue with the board reduction it would require another bill. He provided details on the circumstances that led to the bill being pulled. He stated that Senator Morrell supports the bill, however the reason he pulled it was because the Senator felt that it is connected to other issues within the region. Senator Morrell wants to see outreach within the region with substantial results. Mr. Devers stated that conversations need to take place and those conversations need to be filtered back to the Senator's office; eventually letters of support would be warranted. President Jeter called upon John Covington (Director, Beaumont Cherry Valley Water District) for his public comment. Mr. Covington stated that BCVWD had on its May 11th agenda an item to submit a letter of support for the reduction in the size of the SGPWA board, of which he was opposed. He stated that if this issue involves saving money, as stated in the Agency's minutes and its resolution, the Agency does not need to do the legislative process. Mr. Covington provided examples of how the Agency could save money without the legislative process by simply passing a motion during a regular board meeting. Mr. Devers reported on the proposed SWRCB drought restrictions regulations, stating that what is proposed is a complete turnaround from the current regulations. The proposed regulation would require individual urban water suppliers to self-certify the level of available water supplies they have assuming three additional dry years, and the level of conservation necessary to assure adequate supply over that time. Mr. Devers stated that because the proposed regulation is so good it is anticipated that there will be opposition.

B. General Manager's Report:

(1) Operations Report: (a) The amount of water delivered in April (April 4–30) was 943 acre-feet. For the month of May, 645 acre-feet has been delivered so far this month. (b) Flows have been increased from 18 cubic feet per second (cfs) to 20 cfs. The Agency is trying to be responsive to retail customers who are asking us to increase the delivery of water to more than what we are currently delivering. Changes to some meter values that are set at 20cfs will need to be changed, possibly to 24 cfs; however, EBX 1 pumps are still the limiting factor.

(2) Report on ACWA Conference: General Manager Davis reported that he attended ACWA Conference that was held in Monterey, CA. He was present for the Groundwater Committee of which he is a committee member. The main focus and discussion was pertaining to SGMA and discussions on drought regulations. General Manager Davis also reported on the California Water Fix.

(3) General Agency Updates: (a) General Manager Davis stated that within the agenda packet is a California Water Resources Control Board Fact Sheet – Staff Proposal for Extended Emergency Regulation for Urban Water Conservation. In reviewing the Fact Sheet it states self-certification would include information provided by regional water distribution agencies (wholesale suppliers) about how regional supplies would fare during three additional dry years. Both urban water suppliers and wholesale suppliers would be required to report the underlying basis for their assertions, and urban water suppliers would be required to continue reporting their conservation levels. Therefore, are Agency has a responsibility to post on our website (by June 8th) how much water we think that we can deliver to individual water districts in the next three years and our analysis of how we derived this amount. (b) General Manager Davis will be going to Sacramento this week and will be speaking to other SWC on what factors they will be using. He also reported that the SGPRWA is looking at the possibility of producing an Integrated Regional Water Management Plan for this region. The Agency is already a member in the Upper Santa Ana Integrated Plan.

C. General Counsel Report: General Counsel Jeff Ferré deferred from reporting today.

D. Directors Reports: **(1) Director Stephenson** attended the ACWA Conference in Monterey. He was present for the ACWA/JPIA meeting, of which he is a member. He reported that there is currently \$81 million in reserves. The major topic of discussion during the ACWA/JPIA meeting was on the Central Basin Water District (CBWD), in which ACWA JPIA had removed them from the employee policy liability coverage. CBWD had come back to the ACWA JPIA to request that they be reinstated. The executive committee voted to not reinstate them. Director Stephenson also reported on the California Water Fix and the purchase of two islands by Metropolitan Water District. Overall, California has saved 1.3 million acre-feet of water from June 2015 thru March 2016; in perspective that's enough water to serve 5.9 million homes for one year. **(2) Director Ball** attended the BCVWD meeting on May 11th. On the agenda was an item to support the reduction of the SGPWA board from seven to five. Director Ball stated that he spoke in favor of the reduction. Their board approved a letter of support to be submitted to Senator Morrell. **(3) Director Fenn** attended the BCVWD meeting on May 11th. He stated that the board authorized its General Manager to provide a deposit necessary to increase the capacity for expansion of the EBX turnout. Also, there was another agenda item pertaining to participation in the facilitated process for resolution of the regional water issue that SBVMWD and the Agency initiated; the BCVWD board tabled this item.

6. New Business: (Discussion and Possible Action)

A. Further Discussion of Sites Reservoir and Possible Proposal to Participate: A staff report and material related to the proposed Sites Reservoir were included in the agenda packet. General Manager Davis reminded the Board

that this item has been discussed during the May 9th Engineering workshop. The purpose of this agenda item is to report on additional information that became available this past Tuesday, based on a meeting held by the Sites Joint Powers Authority (SJPA) – Sacramento Valley. General Manager Davis reviewed the information that was discussed during the meeting. He stated that the SJPA will be asking for proposals from other districts outside the Sacramento Valley, to determine who outside their region would want to invest, as a part owner in the project. A “Proposal to Participate” form is due by July 1st. No action is requested at this time, however the Board will need to make a decision in June, as to whether the Board would like to participate or not. General Manager Davis stated that SBVMWD is willing to include the Agency and/or other Southern California Contractors in order to present a “pooled” application. He stated that at this time he is not making a recommendation, as there are a lot of pros and cons associated with this project. General Manager Davis briefly reviewed the material that was presented in the agenda packet. He stated that he will be given a full briefing on this issue while he is in Sacramento this week. He will report back to the Board at the June 6th Board meeting or the June 13th Engineering workshop; a decision to participate will need to be determined on June 6th or by the June 20th Board meeting.

B. Consideration of Special District Member and Alternate Special District Member of the Local Agency Formation Commission (LAFCO): Riverside LAFCO Ballot and instructions were included in the agenda package. General Manager Davis informed the Board that LAFCO has stated that a physical meeting of the Special District Selection Committee (SDSC) is not feasible at this time and the selection proceedings are being conducted by mail/email. A nomination period was opened March 29, 2016 and closed April 29, 2016. A total of three nominations were received for the position of Regular Member – Eastern Area. A total of four nominations were received for the position for the Alternate Special District Member. A letter of support was received from Mission Springs Water District, asking the Agency to support Nancy Wright. The Board could take action today or at the next board meeting. After discussion, it was the consensus of the Board to vote on this item at the June 6th Board meeting.

C. Consideration of Conduct of Future Special District Selection Committee Elections: General Manager Davis stated that in addition to the election of the LAFCO Special District Member and Alternate Special District Member they are also requesting a vote on the conduct of future Special District Selection Committee Elections. The Board deferred this item until the June 6th Board meeting. Director Duncan requested that staff forward any additional letters of support directly to the board members, either by email or mail.

7. Topics for Future Agendas:

8. Announcements: *President Jeter reviewed the following announcements:*

- A. Finance and Budget Workshop, May 23, 2016 at 4:00 pm
- B. San Geronio Pass Regional Water Alliance, May 25, 2016

1. Administrative Committee Meeting at 4:00 pm – Banning City Hall Conference Room
2. Regular Meeting at 5:00 pm – Banning City Council Chambers
- C. Office closed in observance of Memorial Day, May 30, 2016

9. Adjournment: *President Jeter adjourned the meeting at 8:09 p.m.*



Jeffrey W. Davis, Secretary of the Board